

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) **August 19, 2008**

Capital Senior Living Corporation

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

1-13445

(Commission File Number)

75-2678809

(IRS Employer Identification No.)

**14160 Dallas Parkway
Suite 300
Dallas Texas**

(Address of Principal Executive Offices)

75254

(Zip Code)

(972) 770-5600

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure.

Attached hereto as Exhibit 99.1 is an updated slideshow presentation of Capital Senior Living Corporation (the “Company”).

By filing this Current Report on Form 8-K, the Company does not acknowledge that disclosure of this information is required by Regulation FD or that the information was material or non-public before the disclosure. The Company assumes no obligation to update or supplement forward-looking statements in this slideshow that become untrue because of new information, subsequent events or otherwise.

Item 9.01 Financial Statements and Exhibits.

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable.
- (d) Exhibits.

The following exhibit to this current report on Form 8-K is not being filed but is being furnished pursuant to Item 7.01:

- 99.1 Capital Senior Living Corporation updated slideshow presentation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 19, 2008

Capital Senior Living Corporation

By: /s/ Ralph A. Beattie

Name: Ralph A. Beattie

Title: Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

The following exhibit to this current report on Form 8-K is not being filed but is being furnished pursuant to Item 7.01:

99.1 Capital Senior Living Corporation updated slideshow presentation



Capital Senior Living Corporation



Capital Senior Living Corporation





Forward-Looking Statements



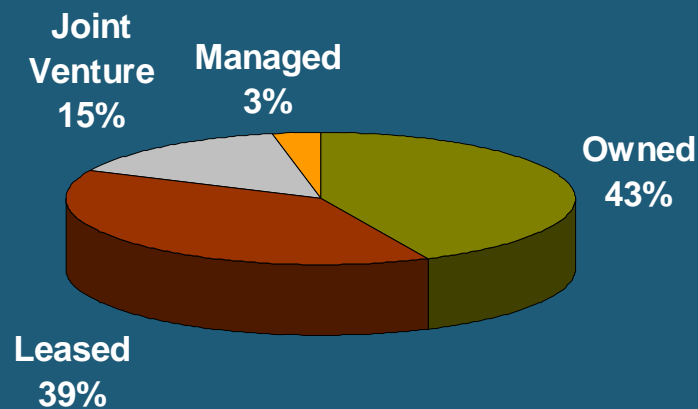
- *The forward-looking statements in this presentation are subject to certain risks and uncertainties that could cause results to differ materially, including, but not without limitation to, the Company's ability to complete the refinancing of certain of our wholly owned communities, realize the anticipated savings related to such financing, find suitable acquisition properties at favorable terms, financing, licensing, business conditions, risks of downturns in economic conditions generally, satisfaction of closing conditions such as those pertaining to licensures, availability of insurance at commercially reasonable rates and changes in accounting principles and interpretations among others, and other risks and factors identified from time to time in our reports filed with the Securities and Exchange Commission*
- *The Company assumes no obligation to update or supplement forward-looking statements in this presentation that become untrue because of new information, subsequent events or otherwise.*



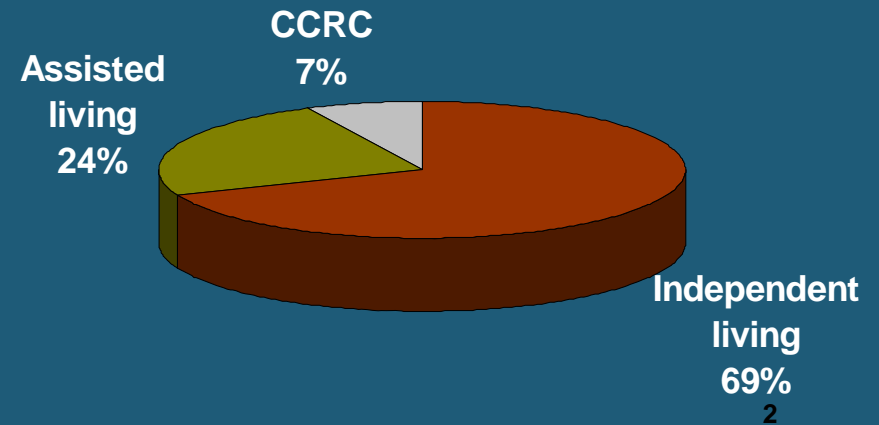
Company Overview

- Capital Senior Living owns and/or operates 64 communities in 23 states with the ability to serve 9,401 residents
- 50 of these communities are owned or leased with resident capacity of 7,701
- Achieved 94% approval rating in 2007 residents' satisfaction survey

Units by Ownership Type



Resident Capacity Mix





The Capital Advantage: *Senior Living Options*



Independent Living – 69% of Portfolio

- Average 131 units per IL community with large common areas and amenities
- Wide array of social, recreational, and educational events
- Average monthly rate of \$2,200
- 100% private pay
- Average length of resident stay is 34 months





The Capital Advantage: *Senior Living Options*



Assisted Living – 24% of Portfolio

- Average 64 units per AL community
- Assistance with activities of daily living such as medication reminders, bathing, dressing and grooming
- Average monthly rate of \$3,200
- 96% private pay
- Average length of resident stay is 26 months





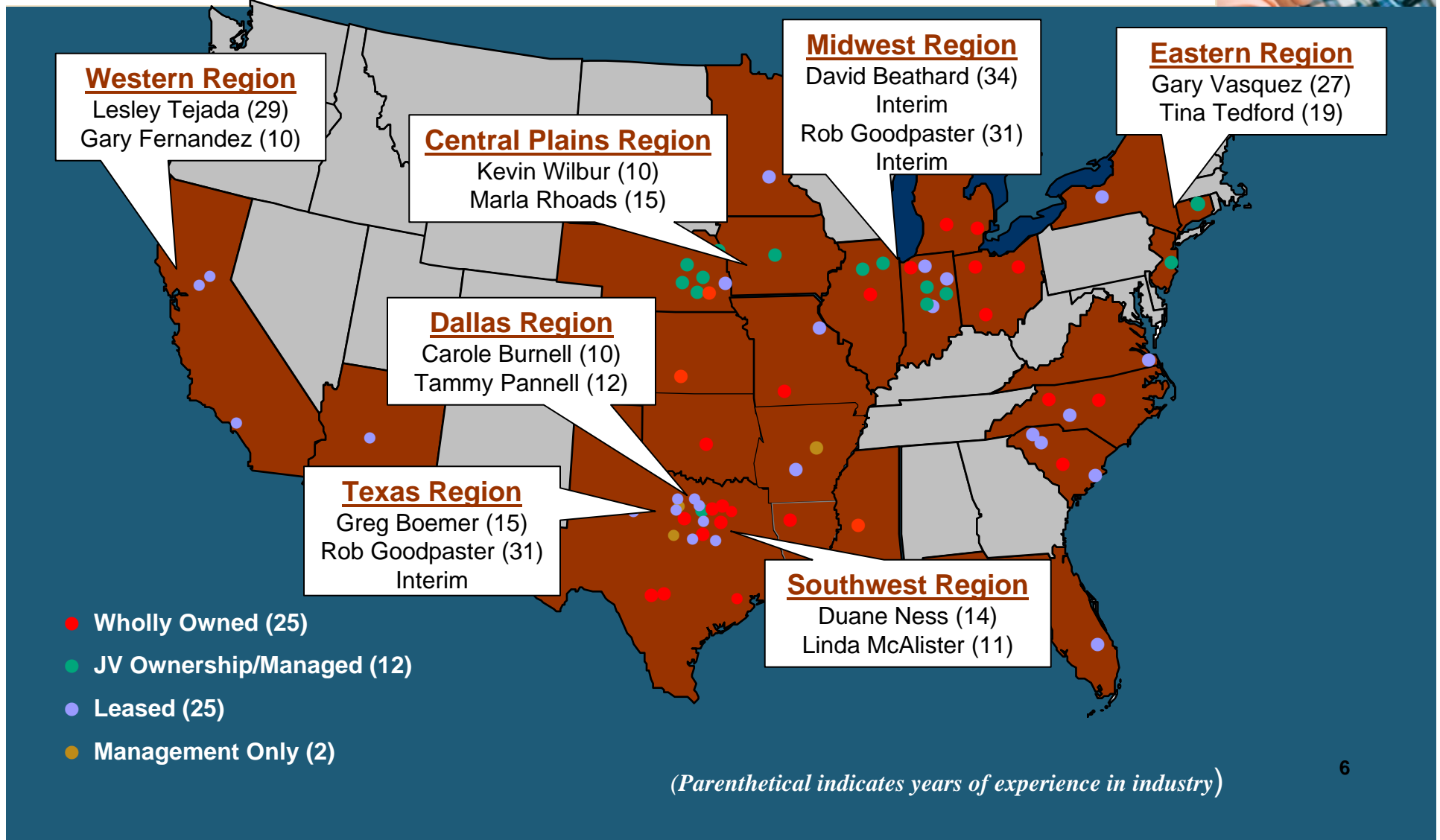
Resident Demographics at CSU Communities



- Average age of resident: **85 years**
- Average age of resident moving in: **82 years**
- Average stay period: **2-3 years**
- Percent of female residents: **80%**
- *Resident turnover is primarily attributed to death or need for higher care*



The Capital Advantage: *Established National Platform*

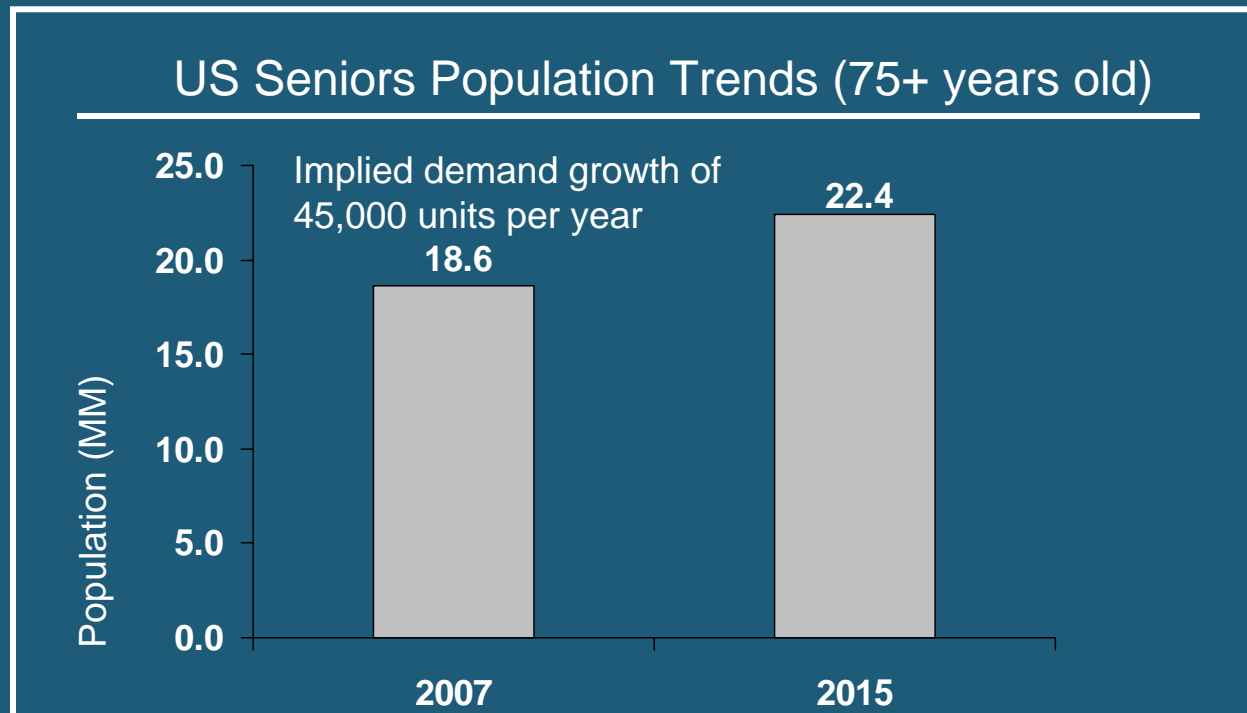




Favorable Demographics



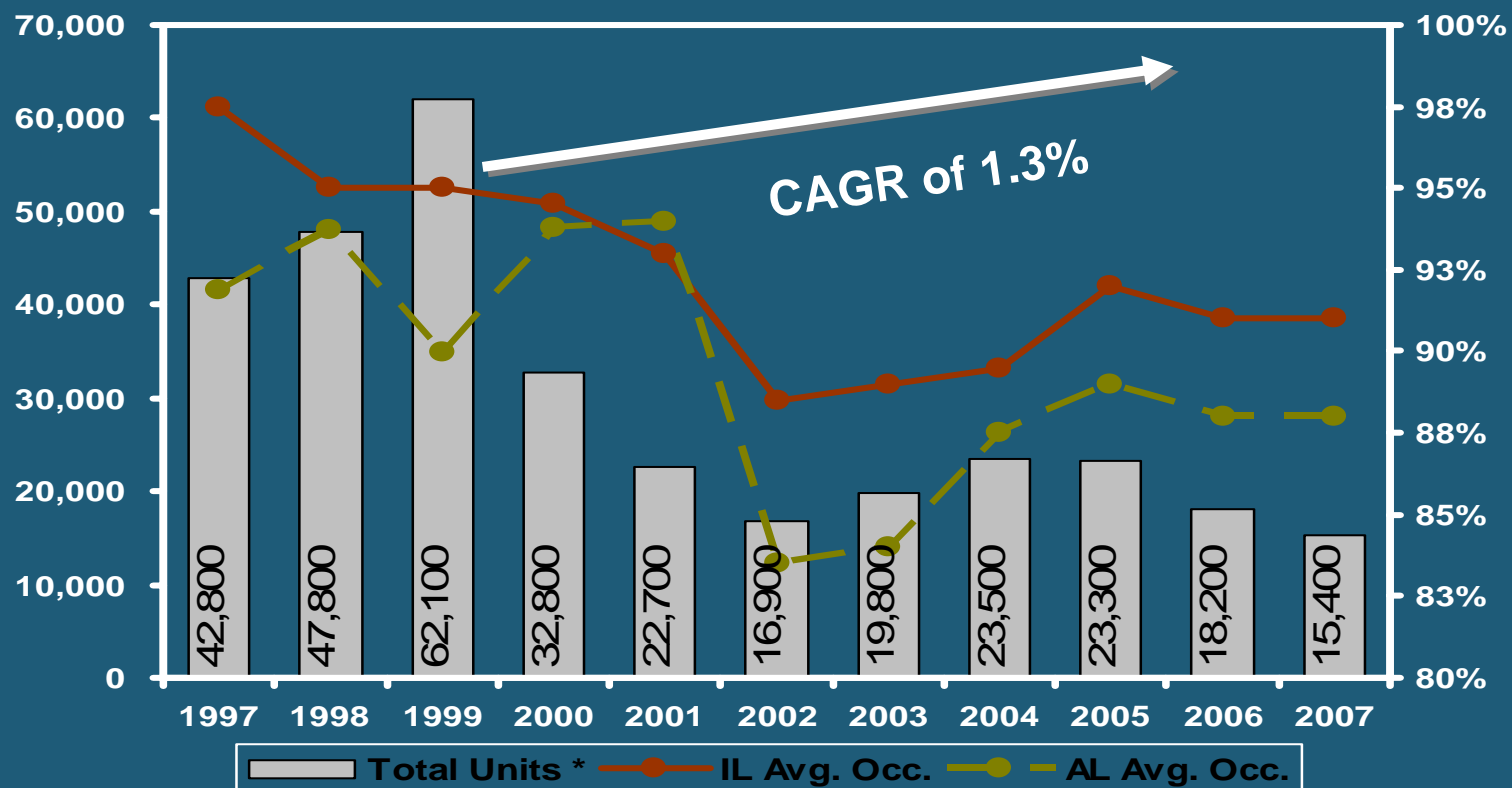
- US population 75+ years old is estimated to grow by 3.8 million through 2015
 - Only 1.8 million units serving a population of 18.6 million seniors
 - Current 9.6% penetration rate implies demand growth of 45,000 units per year





Favorable Supply Trends

- Seniors Housing Construction Activity and Industry Occupancy Percentages



Source: National Investment Center / American Seniors Housing Association Seniors Housing Construction Trends Report, 2007 & NIC Key Financial Indicators

* Including independent living, assisted living and continuing care retirement communities



The Capital Advantage: *Proven Track Record*



- Stabilized Operating Results

	Capital Senior Living	Industry Averages	
		Independent Living	Assisted Living
Occupancy ¹	89.0%	89.5%	88.0%
Operating Margins ^{2,3}	48.7%	52.6%	44.4%

(1) *Second Quarter 2008 CSU (excluding 4 communities with units being converted to higher levels of care) and 2008 First Quarter NIC Key Financial Indicators*

(2) *Before property taxes, insurance and management fees*

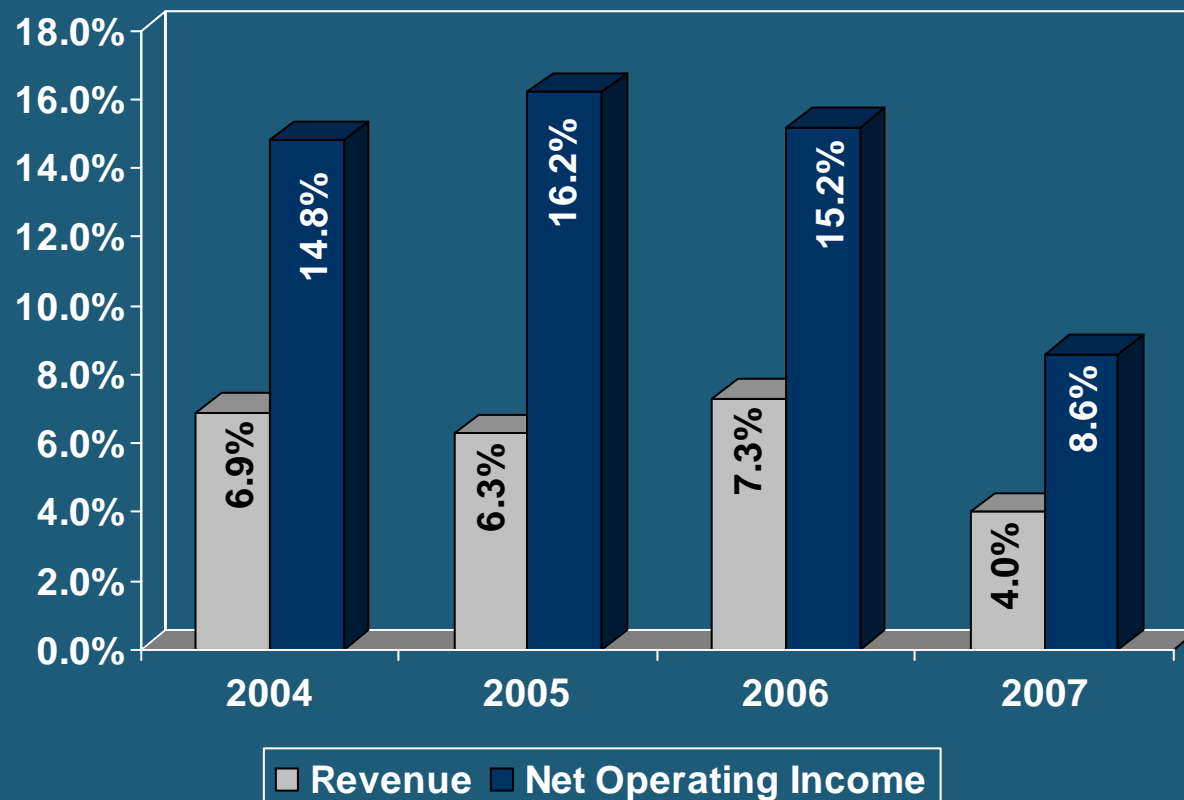
(3) *Second Quarter 2008 CSU and from The State of Seniors Housing 2007 by the American Seniors Housing Association (ASHA)*



The Capital Advantage: *Proven Track Record*

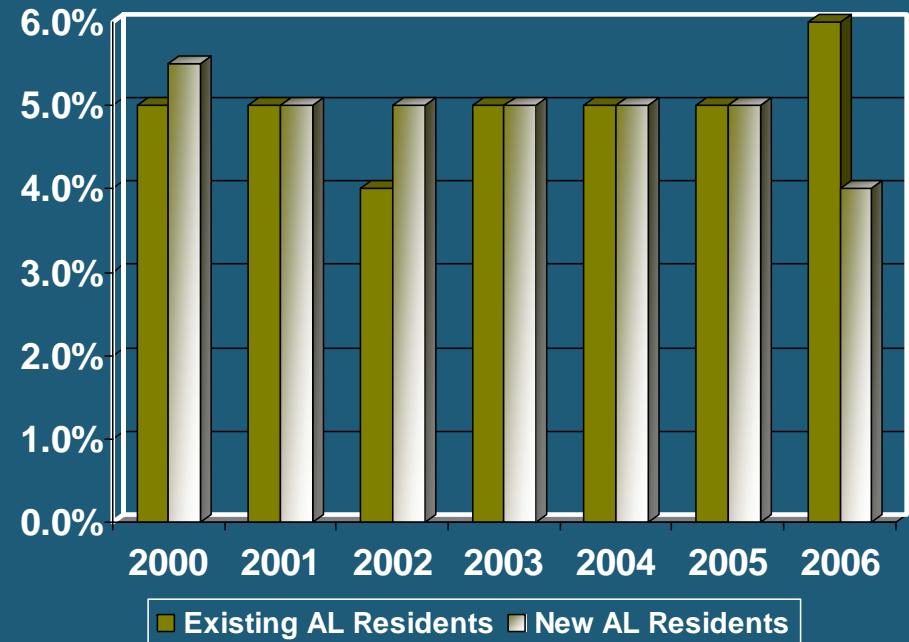
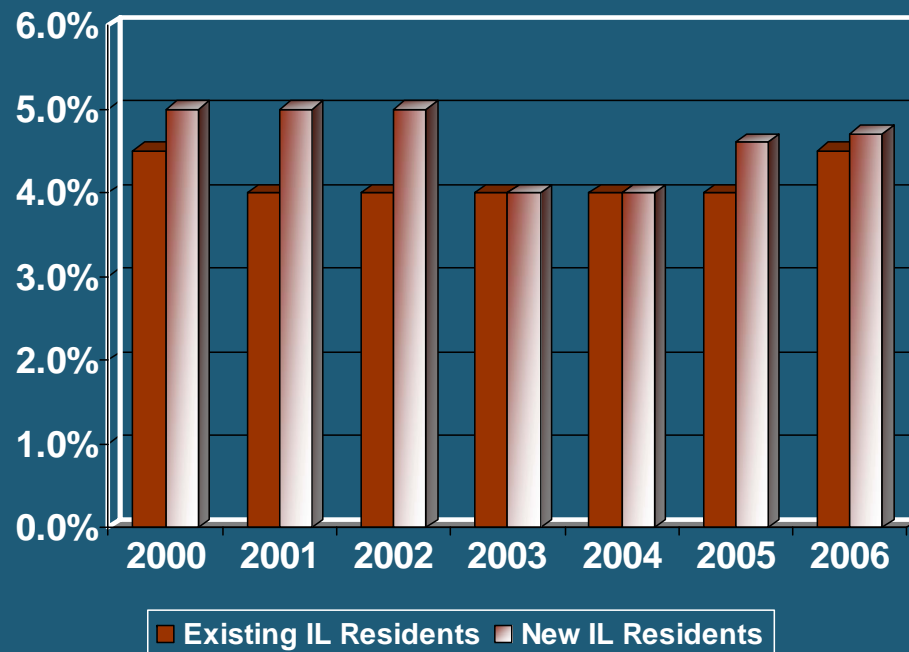


- Same Store Analysis for Communities Under Management
 - Same Store Average Revenue growth of 6.1%, with 13.7% Average Net Operating Income growth since 2003





Industry Median Increases in Resident Revenue



Source: ASHA *The State of seniors Housing 2007*



2008 Business Plan



- Increase levels of care and capacity through expansions, conversions and new developments
- Organic growth from rate increases, cost savings and occupancy growth
- Accretive acquisitions in highly fragmented industry to enhance geographic clustering
- Explore and consider a range of strategic alternatives for the Company



Growth Initiatives: Expansions, Conversions and Developments



- Intend to add additional levels of care at eleven communities

	Units	Estimated Cost	Expected Revenues ⁽¹⁾	Expected Incremental EBITDAR Margin %
8 AL Conversions ⁽²⁾	261	\$2,000,000	\$4,500,000	60%
3 Expansions ⁽³⁾	220	\$32,200,000	\$9,100,000	50%

- Three new joint venture developments are currently underway that will add 434 units (299 IL, 135 AL)

(1) Upon stabilization

(2) Conversions are expected to be complete in second quarter of 2009

(3) Expansions are expected to be complete in the first quarter of 2010



Growth Initiatives: *Expansions*

Cottonwood case study

Added 49 IL units and 48 AL units

\$6.8 million total cost

Annual revenues increased 3.5 times since expansion

	<u>IL</u>		<u>AL</u>		<u>Total</u>		<u>Annual Revenue</u>
	<u>Units</u>	<u>Occ%</u>	<u>Units</u>	<u>Occ%</u>	<u>Units</u>	<u>Occ%</u>	
Pre-expansion	65	100%	-	-	65	100%	\$1.3M
2007	114	98%	48	96%	162	98%	\$4.6M



Growth Initiatives: *Conversions*



Sedgwick case study

Relocated AL units to a new wing

\$800,000 total cost

Annual revenues increased 75%, with an increase of over 50% in occupancy

	<u>IL</u>		<u>AL</u>		<u>Total</u>		<u>Annual Revenue</u>
	<u>Units</u>	<u>Occ%</u>	<u>Units</u>	<u>Occ%</u>	<u>Units</u>	<u>Occ%</u>	
2003	105	48%	45	100%	150	60%	\$2.0M
2007	118	94%	29	97%	147	95%	\$3.5M



Growth Initiatives : Operating Leverage in Consolidated Communities



- \$2.0 million incremental revenue for every 1.0% of financial occupancy gain
- \$8.5 million incremental revenue from a 5% increase in average monthly rent
- 80% incremental EBITDAR margin on same store revenue increases

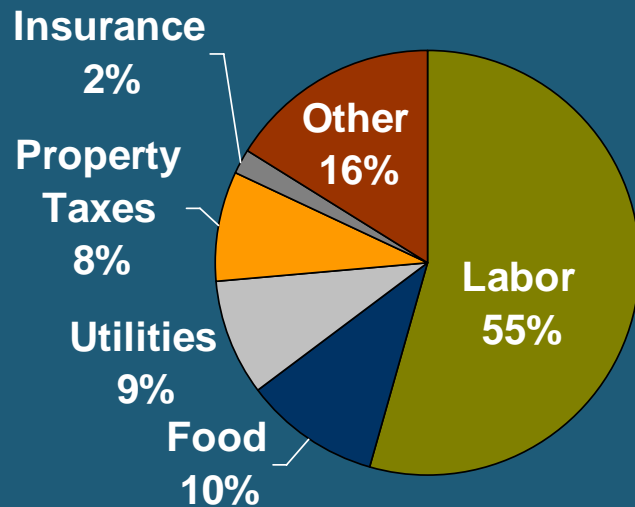


Growth Initiatives : Operating Leverage in Consolidated Communities

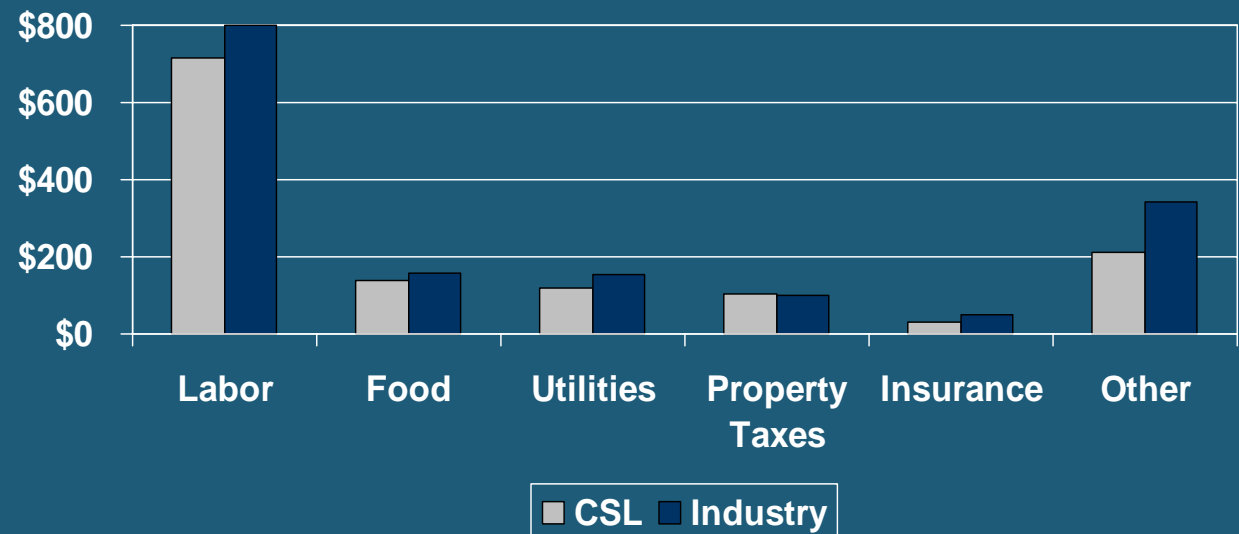


Expense Categories as a % of Total Operating Expenses

YTD June 2008



Operating Expenses per Unit



Industry data from 2007 The State of Seniors Housing, adjusted for inflation to compare to 2008 expenses.



Growth Initiatives: *Acquisition/Lease Transactions*



- Completed 21 acquisition/lease transactions for a total value of \$249 million since Q4 2005

Example of \$100 million acquisition/lease transaction:

	Year 1	Year 2	\$ Increase	% Increase
Revenue	\$25,000,000	\$26,500,000	\$1,500,000	6.0%
Operating Expense	\$15,000,000	\$15,600,000	\$600,000	4.0%
EBITDAR	\$10,000,000	\$10,900,000	\$900,000	9.0%
Lease Expense	\$7,800,000	\$8,000,000	\$200,000	2.5%
EBITDA	\$2,200,000	\$2,900,000	\$700,000	32.0%



Growth Initiatives: *Joint Venture Acquisitions and Developments*



- Joint venture partners
 - Blackstone Real Estate Advisors
 - GE Healthcare Financial Services
 - Prudential Real Estate Investors
- Twelve communities are owned with joint venture partners
- Three developments are underway with joint venture partner
- Co-invest with joint venture partners to participate in economics:
 - 5% – 15% Capital Senior Living
 - 95% – 85% JV Partners
- Earn management/development fees, return on equity investment and potential for additional incentives



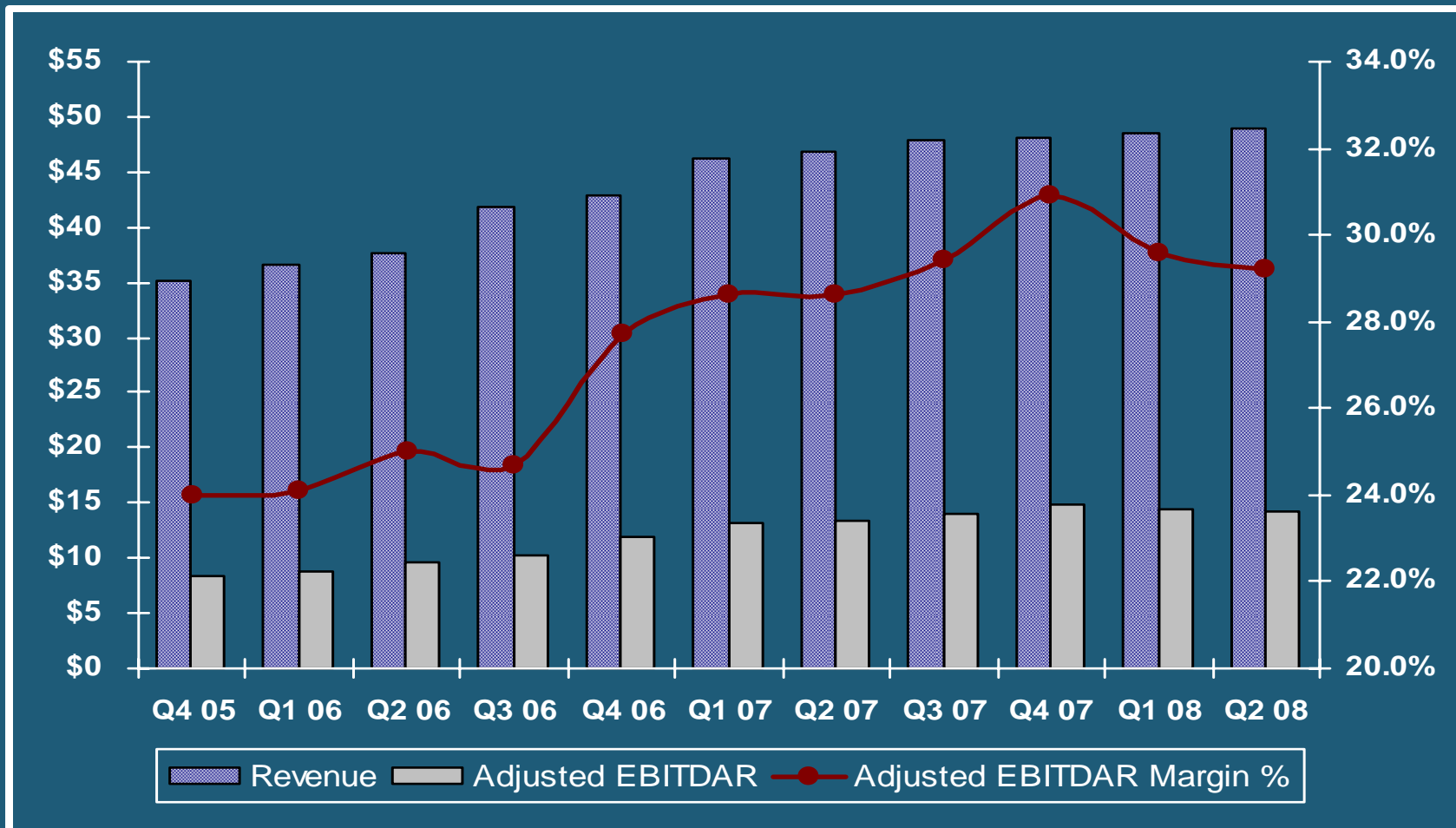
Example of Joint Venture Economics

	<u>Venture</u>	<u>CSU</u>	<u>Partner</u>
NOI	\$ 8,000,000		
Cap Rate	8%		
Purchase Price	\$100,000,000		
Debt	\$ 75,000,000		
Equity	\$ 25,000,000	\$2,500,000	\$22,500,000
Revenues	\$ 25,000,000		
Mgt. Fees (5%)		\$1,250,000	
ROE (14.0%)		\$ 350,000	\$ 3,150,000
Total First Year Return		\$1,600,000	\$ 3,150,000
Total Return %		64%	14%



Capital Advantage: *Financial Growth*

- Revenue and Adjusted EBITDAR (\$ in millions)





Income Statement: Q2 Comparison



(in millions, except per share)	2008*	2007*	%Change
Resident & Health Care Revenue	\$42.7	\$41.6	2.6%
Other Revenue	<u>6.3</u>	<u>5.3</u>	18.9%
Total Revenues	\$49.0	\$46.9	4.5%
Operating Expenses	30.8	30.1	2.3%
General & Administrative Expenses	<u>3.9</u>	<u>3.4</u>	14.7%
EBITDAR	\$14.3	\$13.4	6.7%
Lease Expense	6.3	6.0	5.0%
Depreciation & Amortization	3.1	2.8	10.7%
Income from Operations	\$4.9	\$4.6	6.5%
Other Income / (Expense)	(2.8)	(2.8)	0.0%
Taxes & Minority Interests	<u>(0.8)</u>	<u>(0.6)</u>	33.3%
Net Income	\$1.3	\$1.2	8.3%
Earnings Per Share	\$0.05	\$0.04	25.0%
Cash Earnings Per Share	\$0.16	\$0.15	6.7%

* As adjusted per press releases



Balance Sheet Strength



- Since Q1 2006, CSU has significantly strengthened its balance sheet
 - Reduced total mortgage debt by \$51.6 million
 - Refinanced or retired \$162 million of variable rate debt
 - Reduced average interest rate from 7.5% to 6.1% fixed
- Resulting in \$8.3 million of annual interest expense savings



Balance Sheet



- As of June 30, 2008 (*in millions*)

ASSETS	
Cash and Securities	\$ 26.1
Other Current Assets	20.3
Total Current Assets	46.4
Fixed Assets	307.7
Other Assets	36.1
TOTAL ASSETS	\$390.2

LIABILITIES & EQUITY	
Current Liabilities	\$ 35.8
Long-Term Debt	179.3
Other Liabilities	21.7
Total Liabilities	236.8
Stockholders' Equity	153.4
TOTAL LIABILITIES & EQUITY	\$390.2



Investment Highlights



- *Favorable demographics* and *attractive industry fundamentals*
- *Expansion and conversion initiatives* with significant revenue and margin growth
- Strong same-store community *net income growth*
- *Acquisition opportunities* in highly fragmented industry
- Existing infrastructure results in *low marginal integration cost*
- Predominately private pay with *minimal federal regulation*
- *Financial leverage* through joint venture partners and REITS
- *Experienced management team* with demonstrated ability to operate, acquire and develop



Capital Senior Living Corporation



Capital Senior Living Corporation

